

HOUSE JOINT RESOLUTION NO. 38

INTRODUCED BY BUTCHER, MCALPIN, KLOCK, JACKSON, GALVIN-HALCRO, L. JONES, HEINERT,
ROSS, BLACK, CALLAHAN, MATTHEWS, CAMPBELL, GOLIE, JACOBSON, WITT, LAMBERT,
MUSGROVE, LINDEEN, BERGREN, STEINBEISSER, EVERETT, RICE, ANDERSEN, BARRETT,
STOKER, TAYLOR, NOONAN, RIPLEY, GROESBECK, MILBURN, BIXBY, STAHL

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
MONTANA URGING THE MONTANA CONGRESSIONAL DELEGATION TO COSPONSOR AND SUPPORT
FEDERAL LEGISLATION TO RESTORE COMPETITION TO THE LIVESTOCK INDUSTRY.

WHEREAS, the economic well-being and profitability of the entire livestock production industry in
Montana depends on a fair price received at the terminal or slaughter cattle market; and

WHEREAS, the concentration of purchasing power by three large meat packing firms controlling over
80% of the commerce in finished cattle has resulted in a dysfunctional market characterized by a lack of
competition, an absence of price disclosure, and a dominant control of the supply side; and

WHEREAS, this dominant control is achieved through the use of national and international captive
supplies; and

WHEREAS, evidence of this dominant control is seen through meat packers' ability to draw on tariff-free
supplies in countries like Canada and Australia by using free trade agreements; and

WHEREAS, federal solutions to restore competition to the livestock industry, through amendment to the
Packers and Stockyards Act of 1921, were introduced in the first session of the 108th Congress in Senate Bill
No. 27 by Senator Grassley, which would have prohibited ownership of slaughter livestock by a meat packer for
more than 7 days prior to slaughter, and in Senate Bill No. 1044 by Senator Enzi, entitled the "Captive Supply
Reform Act", which would have addressed the manner in which forward contracts for future delivery of slaughter
livestock are negotiated, without prohibiting that contractual practice; and

WHEREAS, it is anticipated that similar federal legislation will be introduced in the current session of
the U.S. Congress.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF
THE STATE OF MONTANA:

1 That the Montana Legislature support the need to restore competition to the livestock industry.

2 BE IT FURTHER RESOLVED, that the Montana Legislature urge the members of the Montana
3 Congressional Delegation to cosponsor and support upcoming reintroduced versions of the federal ban on
4 packer ownership OF LIVESTOCK FOR MORE THAN 7 DAYS and the Captive Supply Reform Act in both the U.S.
5 Senate and House of Representatives.

6 BE IT FURTHER RESOLVED, that the Secretary of State send copies of this resolution to the members
7 of the Montana Congressional Delegation.

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